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In the
Supreme Court of the United States.

OCTOBER TERM, 1945.

No. 1241.

THE KAR ENGINEERING COMPANY, INC.,

Petitioner,

v.

BROWN & SHARPE MANUFACTURING COMPANY,

AND

JAMES NEILL & CO. (SHEFFIELD) LIMITED,

Respondents.

**BRIEF FOR RESPONDENTS IN OPPOSITION TO
PETITION FOR WRIT OF CERTIORARI.**

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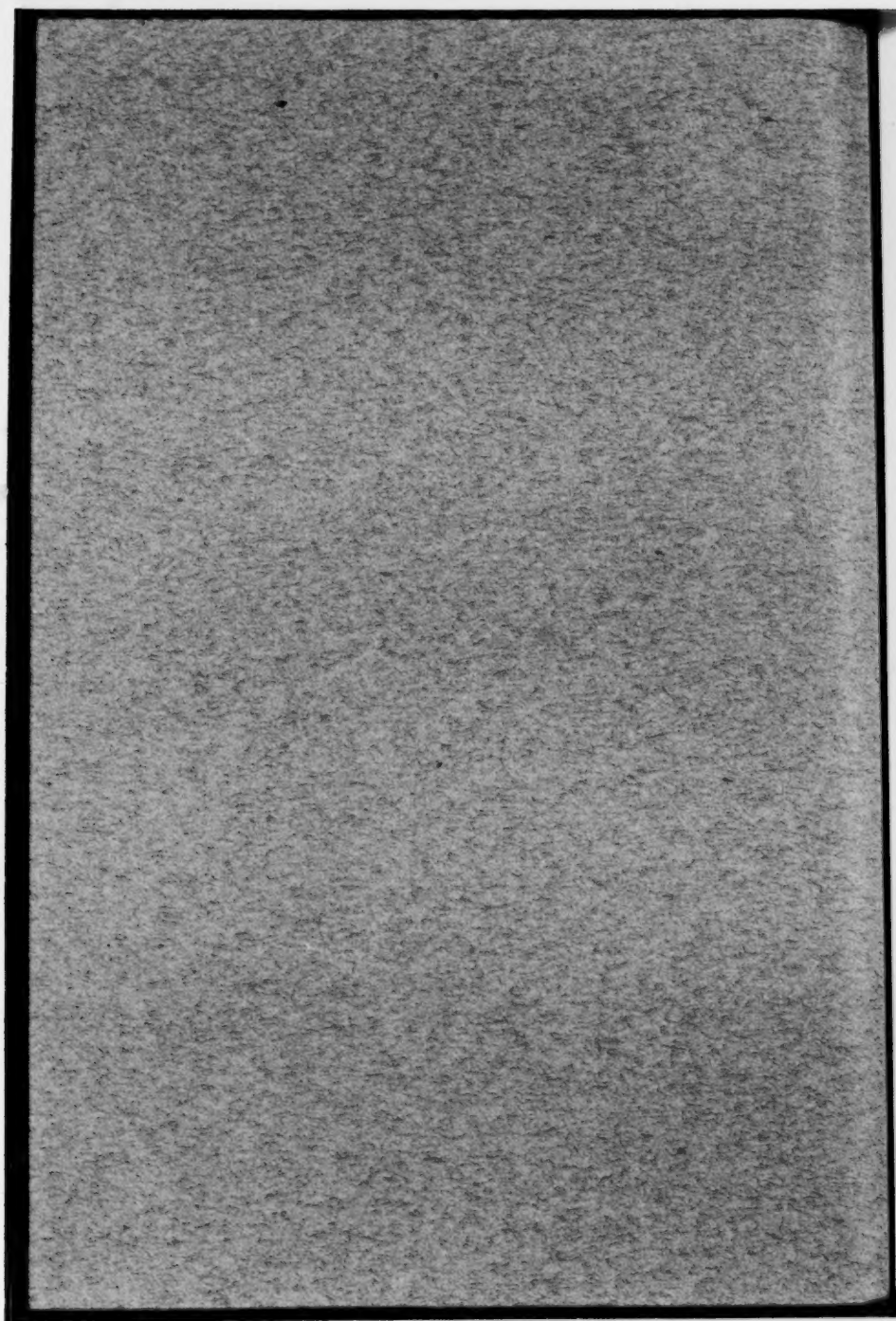
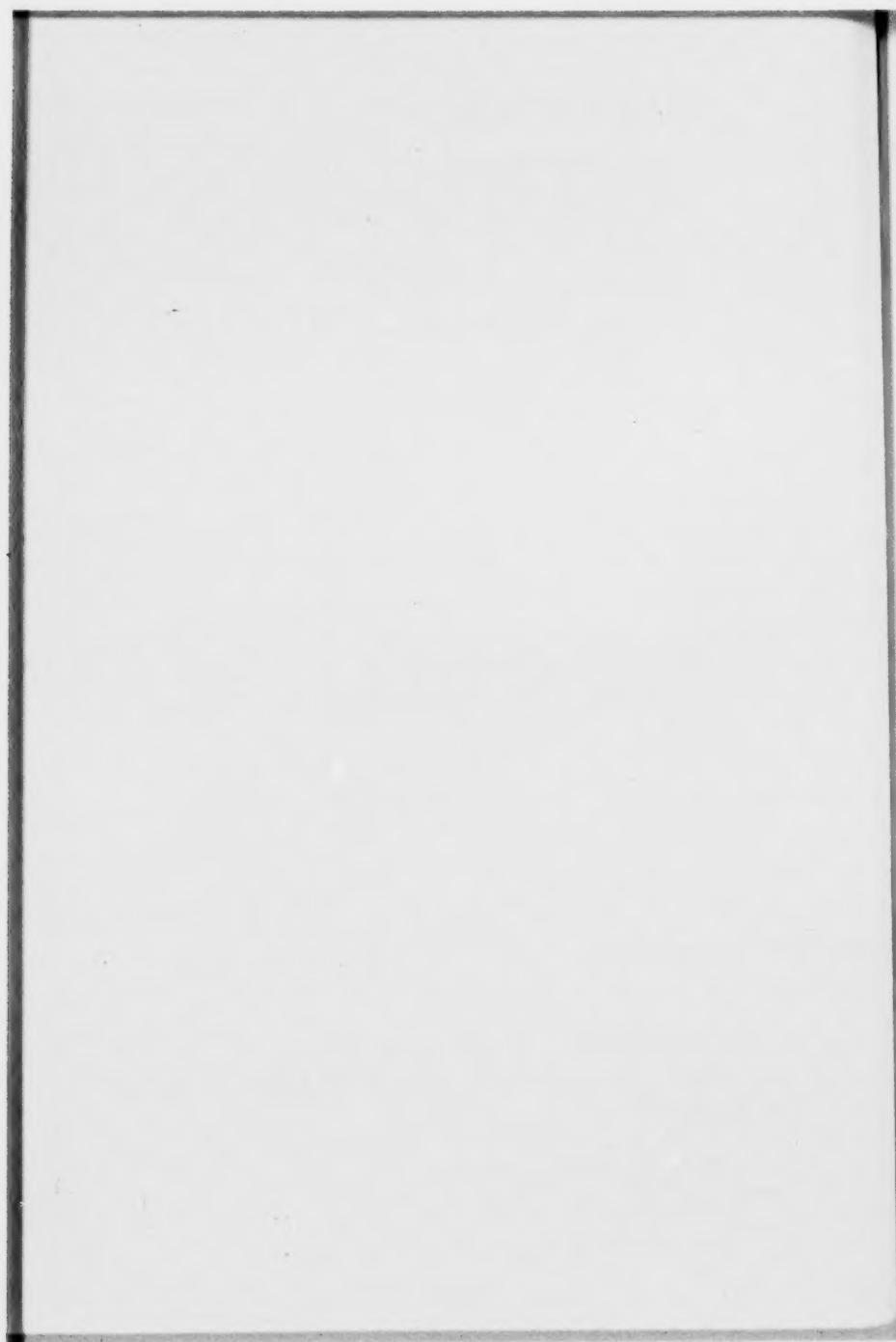


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This is an ordinary patent suit involving no conflict of decisions between different Courts of Appeal, no new or doubtful question of law, no conflict between the decision of the Court of Appeals and applicable decisions of this Court or any other court, and no matter of public importance.

Petitioner argues with equal emphasis three assignments of error as supplying the "special or important" reasons for granting the writ. The essential facts of the case are adequately stated in the findings of the District Court and the opinion of the Court of Appeals and we will confine this brief to a consideration of the three assignments of error in the order of their presentation by petitioner.

I.

ALLEGED ERROR AS TO INVENTION.

There is here merely a very common question of fact in patent cases, that is, whether under all the circumstances of the case, what the patentee did amounted to invention or was merely something that was within the skill of the art measured by the high standards now obtaining.

Petitioner attempts to procure a further consideration of this issue of fact by erroneously asserting that the Court of Appeals has failed to recognize any higher standard of invention than existed years ago and in so doing has held patentable that which is within the skill of the art. The facts are to the contrary.

The Court of Appeals adopted as its guide the classic test of "a long line of cases" as specifically affirmed in the case of *Sinclair & Carroll Co., Inc. v. Interchemical Corp.*, 325 U.S. 327, in which this Court made the clarifying pronouncement quoted by the Court of Appeals (R. p. 441), subsequent to the decision of the District Court in the present case. While petitioner contends that the present decision is at variance with the decision in *Cuno Engineering Corp. v. Automatic Devices Corp.*, 314 U.S. 84, no contention is or can be made that the decision is at variance with the principles set forth in the later *Sinclair* case, which is nowhere mentioned by petitioner except in the list of decisions cited to sustain jurisdiction (Pet., p. 7).

The Court of Appeals, while following the *Sinclair* decision that there is no *new* test, subjective or objective, specifically recognized that the standard of skill and capacity "is far higher" now than formerly, that many improvements accorded patentability in the past would and should not now be sustained, and that "more must now be done to qualify for the title of 'inventor' than formerly was required" (R. pp. 441-442).

Viewing the impressive facts of the case, as found by the District Court, in the light of these "far higher" standards, and while bearing in mind that Bower made his invention in "an art not only crowded but also one in which skills are well known to be high" (R. p. 443), the Court of Appeals found as a fact that the invention of the Bower claims in issue is clearly patentable as showing ingenuity beyond the capacity of the man skilled in the art, in creating his device which is "a substantial innovation" for which "society is truly indebted to Bower".

In view of the pronouncement of the *Sinclair* decision, followed by the Court of Appeals, and in view of the clear recognition by that court of the "far higher" standards to be invoked,* it cannot be said that the decision is at variance with the decisions of this or any other court.

Moreover, the District Court and the Court of Appeals were in agreement that (1) Bower's creation was novel, (2) his "accomplishment" was a substantial innovation, for which the art is indebted to Bower, (3) any present idea or *a priori* conclusion (hindsight or "retrospective simplicity")** that Bower's accomplishment is an "obvious" one, within the capacity of the "skilled craftsman", "disregards the history of chucks", (4) Bower's accomplishment arose in an old, crowded, active*** and highly skilled art, and

* The "doctrinal trend" referred to in *Picard v. United Aircraft Corp.*, 128 F. (2d) 632, 637. Incidentally, the petition (p. 13) in quoting the opinion in the *Picard* case as stating that the inventor's "disclosure was indubitably an improvement—deserves to be called inventions" makes an incomplete quotation which completely distorts the court's statement (p. 636) which was as follows: "It is always troublesome to know what improvements—for Schenk's disclosure was indubitably an improvement—deserve to be called inventions."

** *Universal Oil Co. v. Globe Co.*, 322 U.S. 471, 486.

*** A United States patent for a magnetic chuck issued as early as 1875 (Ex. 24, R. p. 218). The main inventive activity in the art commenced in 1898 and up to August, 1934, with particular activity in the years from 1920 on, some 76 patents for magnetic chucks issued

solved a problem that appeared insuperable, (5) his new chuck, the first to solve the problem of practical utilization of permanent magnets in a chuck with all the advantages thereof, was greeted by the trade "with astonishment and enthusiasm at its simplicity" and satisfied a felt need as manifested by an immediate commercial success that was "impressive" and due to the merit of the improvement.

We therefore have concurrent findings, not challenged by petitioner, which furnish the strongest kind of evidence that as a matter of fact Bower's improvement involved invention. The facts and circumstances found concurrently by the two courts and on which the Court of Appeals relied, constitute to a most unusual degree those "factors" which this Court, in *Goodyear Co. v. Ray-O-Vac Co.*, 321 U.S. 275, 279, held "were entitled to weight" in determining invention, citing with approval, by page number references, a long line of statements of this Court rendered over the years, statements therefore which have not been overruled or abrogated.

The decision of the Court of Appeals is not at variance but is in complete accord with the principles so recently approved by this Court.

Petitioner makes no contention that the *Cuno* case or any other case or line of cases is controlling on the facts. In the *Cuno* case the patentee, Meade, claimed as invention the use of the old thermostat in an old type of cigar lighter instead of in an electric iron or other device, the thermostat operating in the same old way and for the same purpose—

to 35 United States and foreign patentees, including the president of the defendant company. With all this striving for better and improved magnetic chucks, no one until Bower succeeded in finding a way to utilize permanent magnets instead of electro-magnets. Hanson in 1911 (R. p. 339, line 20) said that permanent magnets might conceivably be used but, as the lower court pointed out (R. p. 16), "Nothing in Hanson shows how to release the work if the magnet instead of being an electro-magnet is a permanent magnet."

a mere double use. Meade sought to monopolize any use of a thermostat in a cigar lighter. His particular method of application was unsuccessful and never used. This Court enunciated no new principle in holding such a mere double use unpatentable but stated the established principles of the familiar double use cases which clearly applied. There is no question of double use in the present case, and petitioner makes no contention that there is.

On no score can it be said that the decision in the present case is at variance with any applicable decision of this Court or any other court.

[While petitioner does not list it as a reason for allowance of the writ, petitioner repeats a contention advanced before the Court of Appeals, that prior to Bower the art did not succeed in making a successful permanent magnet chuck because existing magnet materials were not adequate and the art had to await the advent of Alnico, which came in the middle 30's. The statements of the petition in this regard are untrue.* The art did not, and did not have to, await the advent of Alnico for a practical permanent magnet chuck. The art had to await the Bower invention.]

* The fact is, when Bower, engineer of plaintiff Neill & Co., successfully developed and commercialized his invention in England, Alnico was not known in England or to Bower (R. pp. 228; 224). In his development and first commercial exploitation, Bower successfully used the old and well known permanent magnet material, cobalt steel (referred to by the Court of Appeals, R. p. 434), which is just as good as Alnico (R. pp. 226, 434), and which had been in general use for permanent magnets in England since 1919 (Ex. 29, pp. 307-308) and the patents for which issued in this country in 1920 (R. pp. 300-306 and Ex. 27, R. pp. 295-299). When Alnico became known after Bower's commercial exploitation had started, Neill used it along with a Nifal metal, because they are less expensive than cobalt steel (R. p. 225). As to the situation prior to 1919, there is no evidence in the record except an indefinite and uncorroborated suggestion of petitioner's witness, Hughes, (R. p. 108), that in 1911 and earlier, permanent magnets of sufficient pull were not available.

II.

ALLEGED FILEWRAPPER ESTOPPEL.

Petitioner further assigns as error disregard of the Court of Appeals, in finding infringement, of alleged limitations imposed on the claims in the Patent Office—the familiar file wrapper estoppel argument. This contention was urged before the Court of Appeals, but found “too unsubstantial to warrant discussion” (R. p. 446). In its petition for rehearing, petitioner did not ask for rehearing on this question.

Petitioner’s argument on this point is founded on the erroneous proposition that while its chuck has Bower’s new organization of pole pieces and permanent magnet elements, relatively movable, it “does not have an auxiliary circuit to shunt the field out of the work or for diverting the magnetic flux” (Pet., p. 14). The facts are to the contrary, as the Court of Appeals found.

“In both chucks, then, there is a ‘shunting’ of the flux, to use the terminology of the patent, through an ‘auxiliary’ circuit, the only difference between the chucks being in the nature of this circuit. From this, as we see it, infringement necessarily follows unless the claims in suit are limited to a complete all metallic bridge as a shunt.” (R., pp. 445–446.)

The Court’s finding that the claims in suit are not limited to an all metallic shunt circuit (R. p. 446) is not disputed by petitioner. The language of the amendments which petitioner relies on does not purport to limit the claims to a circuit which is all metal as distinguished from one partly through air and there was nothing in the prior art to have required such a limitation.

The familiar file wrapper estoppel cases cited by petitioner are therefore not in point and the assignment is without merit.

III.

ALLEGED ERROR IN PASSING ON INFRINGEMENT.

Petitioner asks that the writ be granted because the Court of Appeals should have returned the case to the District Court for a finding as to infringement, although all the necessary evidence was before the Court of Appeals, there was no controversial issue of fact, and the court deemed the issue so clear that "no other conclusion can reasonably be reached" (R. p. 443). Petitioner joined with respondents in asking the Court of Appeals to decide the issue of infringement, and petitioned for rehearing, not on the ground that the Court of Appeals was in error in passing upon the issue, but on the ground that the court should have found noninfringement. Petitioner has waived any right to now complain. Moreover, even without waiver, on principle and precedent, the Court of Appeals was warranted in exercising its discretion under these circumstances.

The cases cited by petitioner are not in point, and are either incompletely or erroneously abstracted by petitioner. None of them purports to hold that findings of fact by the lower court are a jurisdictional requirement on appeal.

Findings of fact by the lower court are not a jurisdictional requirement on appeal.

It has been common and universal practice, both before and since the present rules, for appellate courts, in their discretion, to decide issues not passed on or the subject of findings by the district court where, as here, there is no dispute on the facts and all necessary evidence is before the court. See for instance,—

Six Wheel Corp. v. Sterling etc. Co., 50 F. (2d) 568 (C.C.A. 9th);

Fahrenwald v. Republic Iron & Steel Co., 61 F. (2d) 385, 386 (C.C.A. 3d);

Horvath v. McCord Radiator & Mfg. Co., 100 F. (2d) 326, 333 (C.C.A. 6th);
Vallen v. Volland, 122 F. (2d) 175, 177 (C.C.A. 8th);
Pevely Dairy Co. v. Borden Co., 123 F. (2d) 17, 20 (C.C.A. 9th);
Thomas v. Simmons Co., 126 F. (2d) 743 (C.C.A. 7th);
Marchus v. Druge, 136 F. (2d) 602, 605 (C.C.A. 9th);
Hurwitz v. Hurwitz, 136 F. (2d) 796, 799 (App. D.C.);
Sbicca-Del Mac v. Milius Shoe Co., 145 F. (2d) 389, 400 (C.C.A. 8);
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Schering Corp. v. Gilbert, 153 F. (2d) 428, 433 (C.C.A. 2d);
Denver v. Denver Union Water Co., 246 U.S. 178, 182;
Philippine Sugar etc. Co. v. Philippine Islands, 247 U.S. 385, 391.

Respectfully submitted,

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